



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 520

Chairperson: Abbie Cornett
Committee: Revenue
Date of Hearing: February 6, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 520 proposes to create a refundable income tax credit for donations of perpetual conversation easements. To qualify for credit, a donated perpetual easement must (1) satisfy certain minimum requirements, as set forth in the bill, (2) be donated to the state, political subdivisions or charitable organizations, and (3) be appraised according to outlined criteria.

The refundable income tax credit shall be limited to an amount equal to 15% of the appraised value of the donated portion of the perpetual easement, not to exceed \$50,000 per tax year or a total of \$250,000 over five years. No more than \$5,000,000 in tax credits may be approved in any one year.

Prior to August 1, applications for credit shall be filed with the Department of Agriculture. The applications shall be reviewed and approve qualifying applications prior to November 1 of each year. In the event that qualified applications would result in tax credits totaling more than \$5,000,000 in the year, including any qualifying carryover credits from pervious years, the Department of Agriculture shall establish a committee, to establish criteria in order to evaluate and prioritize these applications.

Charitable organizations proposing to hold an easement shall name, in the easement, a cooperating agency or organization to hold the easement in the event the charitable organization shall cease to exist.

The bill provides reporting criteria and establishes a requirement, whereby the Department of Agriculture shall issue an annual report to the Legislature and Governor detailing the use of the income tax credits.

Principal Introducer: _____
Senator Galen Hadley